

By GUGLIELMO FERRERO

(Famous Italian Historian, Who Is Writing Special Articles on World Politics for The Washington Times.)

"It Is Easy to Predict Violent Naval Competition in the Pacific, Giving Rise to a Great War, Unless It Is Agreed at Harding's Conference to Limit Armaments, Bar Special Alliances by Japan With Any Non-Asiatic Power, and Secure China's Integrity."

THE famous Italian historian, in a most lucid article, written especially for The Washington Times and given herewith, makes clear in what ways and to what extent the Disarmament Conference here will affect the future of China. The world scramble for control of the unlimited resources of the Chinese Empire is seen as a menace unless the powers agree here in November.

PARIS, Sept. 10.—An alliance between two states is always entered upon as a precaution against an enemy, present or future, real or presumed. Everybody knows who was the presumed enemy of England and Japan when they became allies—it was Russia. The British Empire concluded an alliance across the oceans with the pike, and helped its development to the utmost of its power that Japan might act as a check and barrier to the greatness and expansion of the Muscovite empire in the Far East.

The Muscovite empire has collapsed. The only power which can now wield a preponderating influence in the Far East is precisely Japan.

What then would be the object of the new Anglo-Japanese alliance, supposing it were renewed, seeing that its original scope has ceased to exist?

We can only see one aim in common between the two countries: the conquest of China. Or, to use a blander and perhaps more exact phrase: the preponderance of the two allied powers in Chinese affairs above all other powers—Asiatic, European or American.

China is probably destined to develop into a great world-travelling danger before long. The same tragedy which was enacted in Italy at the end of the seventeenth century is being repeated in China, but in gigantic proportions. A civilization much more ancient, mature and wise than the western civilization is no longer able, despite its wisdom, to withstand the weapons and modern devices of the barbarians who menace it from the north and the east.

CHINA'S NEEDS.

In order to defend herself, China, too, stands in need of artillery, of steam engines, of railways and coal, and in order to obtain them she is forced to "westernize" herself, dropping overboard a good deal of her millennial wisdom.

During this crisis of transition, which began with the fall of the dynasty, China will be exposed to the most conflicting influences from Europe and America, to their doctrines, their capital and their trade.

She will be a sort of novice and pupil of western civilization, disputed and harassed by numerous masters anxious to teach her European and American progress and to sell her the most costly products of this progress; and who, the better to impress their teachings, will be instantly tempted to make a free use of the stick and the whip on the shoulders of their dull and recalcitrant pupil.

Here lies the chief danger. For although China is driven westward by the necessity to increase her military efficiency, she still is, and will continue to remain for many years, extremely weak. Those who know the insatiable greed and rapacity of the Western Powers may easily imagine the temptations capable of arising from this disproportion of forces between the powerful teachers and the feeble pupil.

JAPAN MOST DANGEROUS.

Owing to its geographical position, its ethnical, historical and linguistic affinities and the power of which it disposes, Japan will be the principal and most dangerous of these would-be tutors. But it cannot remain alone and unchallenged, for it will have to face the competition of the leading European Powers and of the United States, which have already secured important interests in China.

The struggle for China, already latent during the ten years which preceded the world war, will now burst openly and fiercely. But in this struggle, after Russia's collapse, an Anglo-Japanese alliance might easily achieve an overwhelming preponderance, both as regards China and in respect of the other European and American States.

This is another result—nor the least important—of the world war. If England, at the end of the nineteenth century, encouraged Japan's development in order to counter-

balance Russia's advance, Russia, on the other hand, up till 1914, counterbalanced Great Britain and Japan in the Far East. Now this equilibrium has ceased to exist. The preponderance of the Anglo-Japanese alliance has not yet become manifest for various reasons.

England is still suffering from the effects of the world war, and is too deeply engaged elsewhere to launch on a dangerous adventure in China. Japan seems almost to have lost its bearings, owing to the outbreak of so many unexpected and revolutionary events, and appears uncertain as to which course to steer among so many wrecks and menaces. And it must be held in mind that the alliance which is about to expire had been concluded with entirely different ends in view.

TEMPTATIONS AHEAD.

But if the alliance be renewed, it will be very difficult for the contracting parties to resist the temptation of their overwhelming superiority, from which situation it is easy to predict that a violent competition in naval armaments will take place in the Pacific, giving rise, sooner or later, to a big war.

How can this hideous calamity be averted?

The conference which President Harding has called to meet at Washington may achieve much, if it finds a right opening.

The general idea seems to be excellent. Instead of attempting, as President Wilson, to build up a universal entente between all the powers of the world, President Harding proposes to thresh out the leading political problems separately, in order to ascertain whether it is possible for the powers more closely concerned with each problem to arrive at a friendly understanding.

For instance, it appears that he

intends to submit the Pacific problem and the problems of Continental Europe for discussion separately by the representatives of the powers directly interested therein.

I believe this is a better and more practical plan than the idea of a universal entente, as it will be easier to find the solution of each problem by circumscribing it.

It will suffice if the powers concerned will agree at the Washington conference to certain well-defined and precise terms and principles, the practical application of which requires only common sense, moderation and foresight.

I think that the principles necessary to maintain peace in the Far East without too many sacrifices might be roughly outlined as follows:

- 1.—Japan not to contract special alliances with any non-Asiatic power.
- 2.—Independence and territorial integrity of China.
- 3.—Limitation of armaments.

These three fundamental principles are indissolubly linked one to the other, and are not active and efficacious unless working together. Without the first two the reduction of armaments would be impossible. But it would be of little use to proclaim the independence and integrity of China if the powers continued in their policy of shameful greed.

What does Japan think, what are its ambitions, what are its aims?

Nobody knows. Japan remains silent and dumb in the midst of the peoples of the world; it looks on, observes, smiles, but never a word.

The Washington conference will not have been useless if it succeeds in unsealing the lips of this silent Sphinx.

WIRTH CABINET FACES STRUGGLE IN AUTUMN

If Troops Have Not Been Removed From Rhineland And If He Does Not Sustain Confidence Of The Entente Fight Will Be Made On Chancellor

By George Bernhard
Editor of Vossische Zeitung, Berlin

CHANCELLOR WIRTH has personally pictured the situation of his cabinet in a recent interview. Simultaneously he denied rumors concerning his weariness of office-holding.

Talk that he wishes to go is without foundation. There are, indeed, very few ministers who long to leave their positions. To be minister appears to be one of the most attractive occupations, and nobody releases willingly and completely the power which the premiership lends. Especially is this so if one is in the early forties, and lively and active like the present chancellor of Germany.

No one is indispensable. And even for Wirth, a successor would be found. But it may be said freely that it would be a misfortune for Germany if the present cabinet were to disappear without fulfilling at least a part of the difficulties for solution of which it was established.

The chancellor himself is one of the few modern politicians which the new Germany possesses. He is no specialist with particular expert knowledge in any one line. One must not be led astray into the belief that he is a finance expert simply because he administers the finance ministry in addition to the chancellorship or because he formerly had the Baden finance portfolio.

By profession he is a gymnasium (a high school corresponding to an American College) teacher. He has to thank his parliamentary skill and his eloquence ability for his rapid rise in life. But this parliamentary skill never led him—as with other deputies—to hold any party program for dogma or to sacrifice his convictions to tactics. His intimate knowledge of the parliamentary machinery has simply enabled him to estimate properly the parliamentary powers and to view as a reality the necessity for steering his plans and bills through the cliffs of the parliamentary currents.

He is no idle dreamer, but an honest man who does not fear to undertake a fight against obstacles. Above all he does not fear his own courage. He does not weigh on a gold balance the words he uses in personal intercourse. In contrast to the politicians of the old school, he presents himself unembarrassed, as a human being, and which he sees fit to give rein to his temperament.

Wirth belongs to the left wing of the Centrist party. This great Catholic folks party is a peculiar formation of the German politics. It arose in the last century through a mistake of Bismarck to lead a "kulturb" fight against the Catholic Church. At that time it was an

opposition party which steadily grew; during the war as one of the greatest political parties it exerted automatically an increasing influence upon the government; and finally after the revolution it necessarily shared with the socialists in the government power.

At any time, as it likes, it can make opposition or can rule, for it includes the Christian workers' organizations as well as the feudal Silesian and Westphalian landowners. In it is united a picture of the whole German social structure.

With the revolution, the left wing, consisting largely of Christian laborers and employees, gained the upper hand. First Erbsberger and then Wirth, with support of the Christian labor leader Stegerwald (Prussian premier), successfully fought down the opposition of the right wing of their party.

Dr. Wirth in the Fehrenbach cabinet, in opposition to Dr. Simons, stood for unconditional fulfillment of the Versailles treaty. He had the assent of the majority socialist party. This party also made it possible to complete the formation of his cabinet despite the opposition to him on the part of the Democrats. But even then the ministers' parliamentary situation was not especially secure.

The majority of the parties which were represented in his cabinet did not alone suffice to surmount all the obstacles in Parliament. The majority of the Deutsche Volkspartei was personally opposed to the new chancellor and ready to offer him sharp opposition. The situation was rescued by the Independent Socialists, who, because of his fulfillment program decided to make no difficulties for him, and thereby caused the Volkspartei to adopt a waiting attitude. The Independents, who despite an outward show of radicalism are now operating very carefully, will perhaps actively support the cabinet in the fall when it comes to the tax measures before the Reichstag.

Considered purely externally, the tax proposals will decide the fate of the cabinet. The socialists of both directions are, contrary to party platforms, ready to approve considerable billions of indirect taxes to make possible the fulfillment of the reparation demands. But they demand for this a considerable increase of the direct taxes, and above all, a stiff taxation of property.

The bourgeois parties declared themselves fundamentally ready for a stiffer taxation of property and income than heretofore. But among the various groups there is a conflict over just who shall pay. Property will pay, but individual property holders consider every tax unfair which they themselves must pay.

"CURB JAPAN OR ARMS PARLEY IS A FARCE"

"Before Many Years the United States Must Either Accept Invasion of the Yellow Peoples, Who Will End by Transforming United States Into Japanese Settlements, or Oppose the Invasion by Force," Says Gustave Le Bon, Noted French Historian.

(An article by Gustave Le Bon, celebrated French historian and sociologist, on the Disarmament Conference and Pacific Question, translated from Les Annales, Paris, by Orrick Johns.)

WE know that the President of the United States has addressed an invitation to the great Powers to come together shortly in Washington in order to discuss the disarmament of peoples and the question of the Pacific.

The collected speeches made at this congress will surely fill many volumes.

It is easy, without being a prophet to outline the contents of them in advance.

So far as concerns general disarmament, of which the fanatical Mr. Wilson dreamed, no one will insist upon that at all, the speech makers having little trouble to prove that to disarm certain peoples who, like France, like Belgium, etc., are menaced by their neighbors, would be out of the question.

It will be noted, moreover, that it is impossible to speak of disarmament in an epoch in which the simple airships of commerce, the number increasing every day, can be transformed instantly into redoubtable weapons, capable of quickly destroying an entire town and its inhabitants, merely by loading them with charges of explosives.

have up to this time rendered their access to her shores very difficult.

The Japanese have had to submit to these laws because they were not the strongest. But now?

Great Britain, who has a treaty of alliance with Japan, and whom distance places beyond the reach of invasion, sees nothing disagreeable about the expansion of the yellow race.

Colonies Oppose Japanese

It is quite otherwise with her dominions: Canada, Australia, New Zealand, South Africa, etc. They share absolutely the feelings of the United States and do not want a yellow invasion at any cost.

Will present-day Japan accept the humiliating exclusion which up to this time she has had to undergo, although protesting against it? Force alone will make her.

But the weak Japan of old has become the great power dealing equally with the strongest nations. She possesses a fleet almost as large as England's, which during the war posed the Pacific and rendered great service to the allies. Her representative at Paris was one of the Supreme Council who dictated the peace.

The ancient little Japan is very great today. To say nothing of the conquest of China, she has annexed Shantung, a country as large as France, then Manchuria, and presently, without doubt, Siberia, Lake Baikal and Vladivostok, territories rich in mines, forests, coal and oil.

In a short time the Japanese have become the true masters of Asia.

It is now more than thirty years ago that, in a book devoted to the Orient, I predicted the fatal conflict of the white race and the yellow race in the East.

This hour has come. If the United States have the power to defend themselves against the Japanese invasion it is because in coming to the aid of the allies they were forced to establish an army and a fleet. Thanks to these armaments and to the support of the English Dominions, America resists Japanese pressure.

Out in Navies Unlikely.

Discussion upon the various forms of disarmament being recognized as useless, the congress will speedily reach the question whether it is possible that the great maritime powers can agree to cease the construction of huge battleships, which costing many millions each, can be destroyed in a few minutes.

It would seem that they might be usefully replaced by great aerial fleets. But as no one is yet convinced of the valuelessness of battleships, Japan as well as England will certainly declare that they can do no less than construct the minimum of ships necessary to their security. The congress will accordingly obtain on this point no other result than an exchange of fruitless conversation.

[M. Le Bon here touches briefly on the futility of the League of Nations.]

Among the remarks made at the congress one might imagine, those of a penetrating observer—not necessarily a politician—upon our relations during two years with England. Here are the essential paragraphs of such a speech:

Outside of an illusory disarmament, and even more illusory League of Nations, there exists only, the speaker will say, a single means of assuring durable peace, that is, the agreement undertaken by England and America to give aid to France if she is attacked by Germany. In the face of such opposition, Germany would never dream of starting another war.

Race War Only Delayed.

To end the series of predictions, easy enough for all, set forth in the preceding lines, we may declare that the disarmament congress will succeed in slightly retarding the outbreak of the great struggle which threatens Asia.

This outbreak will be delayed, but delayed only. Before many years the Government of the United States will have to adjust itself to one of the two horns of the following dilemma:

Either to accept the invasion of the yellow peoples, who, because of their indefatigable fertility, will end by transforming the United States into Japanese settlements in constant struggle with the rest of the population.

Or to oppose the invasion by force.

If the congress at Washington have mediocre political results, it will at least serve to show once more that in spite of the dreams of pacifists and their dissertations upon righteousness, the life of the peoples continues to be dominated by the inexorable law of the strong.

Fears Moslem Uprising.

We know that this proposal of intervention was made to us by Lloyd George to withdraw us from the Rhine, but, after the desired result was obtained, he refused in the end to have his proposal ratified by his Parliament.

The speaker will allege against this plan that England holds to it much more in order to establish her own hegemony in Europe than to establish peace.

If this plan of intervention comes up again at Washington, it will be because England, threatened on every side, is anxious to make sure of some support. After having installed herself in Constantinople, with a view to dominating the Mediterranean, she loosed the Greeks against the Turks and revived the war in the East, a war all the more stupid since it may lead to a religious conflict.

It is not, however, to discuss the conditions of uncertain European alliances or an impossible disarmament that the representatives of the great powers have been called to Washington, but rather to study a problem the importance of which for the United States is capital, since their future depends upon it.

The problem of the Pacific, in spite of all the roundabout words with which the speakers will treat it, consists in finding the means to prevent the Japanese from sending their immigrants to the United States. Never mingling with other races, multiplying with extreme rapidity, and laboring with much better advantage than the whites, they would mean to the latter a disastrous competition.

Unhappily immigration is a fatal necessity for the Japanese. They have each year an excess of many hundreds of thousands of inhabitants who, finding no more room on their native soil and not being able to take themselves to overpopulated China, wish to invade the United States. But draconian laws

By J. M. KEYNES

(Famous British Author, Whose Book, "The Economic Consequences of Peace," Earned Him a Wide Reputation.)

"Banking Authorities of the World Can Remedy Depression in Business by Raising Money Rates in Rising Markets and Lowering Them in Falling Markets. I Look Forward to Trade Recovery."

THIS is the third of a series of five articles on "The Economic Outlook for Europe and America," by J. M. Keynes, the noted British author. He discusses "The Depression in Trade." The other two articles will appear in succeeding issues of The Sunday Washington Times.

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THE war, affairs in Russia, the economic decay of Central Europe, have contributed to the world's impoverishment and will hinder the recovery of our standards of life. But I do not think that these are the main explanations of the recent trade depression.

The general movement of the material prosperity of the world may be up or down, and the war may have brought to a pause a long movement upwards. But superimposed on this are the fluctuations of the credit cycle.

What we have been suffering from lately has been an exceptionally severe "cyclical fluctuation," an explanation which at least affords this consolation, that the disease is necessarily temporary.

The causes of such fluctuations are various and disputed. Like its predecessors, the recent depression has been of complex origin. But a bad season in Asia and the miscalculations of merchants have played the biggest part.

No doubt the war has been indirectly responsible, because the severity of the crisis has been due to the exceptional range of miscalculations, which the terrific fluctuations in prices consequent on the budgetary policies of governments have brought about, and also by the inapplicability of pre-war standards as a guide to what was normal. These helped business to lose its bearings, and to drift far out of its course.

CRISIS STARTED IN JAPAN.

If we look back eighteen months, it is obvious how greatly the troubles of traders have been due, not so much to the intrinsic situation as to grave miscalculations about it. The crisis commenced, not in Europe, but in Japan. Thence it spread to the United States, next to England, and last of all to continental Europe, which has not, at any time, experienced its full severity.

Big business in England was not basing its plans in the spring of 1920 on the expectation of doing a large trade with Turkey, Russia and Central Europe—although this particular miscalculation may have played a rather larger part in the United States, where the banks have developed intelligence departments which make a special point of keeping their clients misinformed about European conditions.

What upset British business was the sudden drying up of the overseas markets, India, China, Australia, South Africa and South America; and it was the collapse of the exchanges between London and many of these centers rather than of those between London and the continent of Europe that threw out the calculations of the business world.

This fact is so striking and so little appreciated as to deserve illustration by figures. If we compare February 1, 1920, when the boom was still in full strength, though drawing to an end, with July 1, 1921, we find that the French and German exchanges on London had actually improved at the later date; that the dollar value of sterling had also improved slightly; but that the value of the currencies of India, China, Argentina, Brazil and Chile in terms of British sterling had fallen by 51 per cent, 60 per cent, 35 per cent, 59 per cent and 54 per cent respectively.

Such movements are catastrophic. Judged by the exchanges, it is these countries, not Europe, which have been the storm centers of the trouble. There have been times when remittance to London both from South Africa (since cured) and Australia (still difficult) was scarcely obtainable. The world is inter-related and all quarters play their part; but such figures as these deserve more emphasis than they usually receive.

MUST BUY GOODS FIRST.

The causes of merchants' miscalculations are capable of explanation. It is a feature of the economic organization of the contemporary world that between the consumer and the manufacturer there stands a string of merchants and middlemen. These merchants and middlemen, regarded as a body, buy and contract to buy before they sell or contract to sell.

Further, they contract to buy goods against money. Their business requires them, therefore, to forecast two things: the demand of consumers and the value of money (that is to say, the course of prices). When they forecast

erroneously on a large scale effort is wasted, fortunes lost, organization disorganized—in a word, trade is depressed.

Traders cannot help running the risk of price fluctuations in respect of a great part of their stock. When, therefore, prices rise, they secure a surplus profit and their business becomes unduly easy. They fall a victim to the delusions of windfall wealth, and, seeking to repeat these too fortunate experiences, extend their operations beyond reason. All men in such times, nearly without exception, ascribe to their own genius the gifts of chance, and nourish, in greater or less degree, a megalomania.

From April, 1919, to February, 1920, the prices of raw materials rose in England by 4 per cent a month. Windfalls on this scale to all holders of commodities had never been experienced before, and the difficulty of distinguishing between the more or less permanent increase in prices due to the inflationist exigencies of government finance and the temporary additional excess superimposed on this by the trade boom interfered with accurate forecast, even by those who knew very well that trade booms come and pass away again.

MANY MARKETS STARVED.

There were two other factors also which multiplied the stream of commitments. Many markets had been starved by the war of their usual supplies, and were replenishing stocks. But it was difficult to know how much current demand represented such replenishment and how much of it was covered by current consumption.

Lastly, the abnormal demand stimulated by all these influences was yet further exaggerated because merchants, experiencing an unusual difficulty in obtaining deliveries, began placing orders on an even larger scale than they really wanted, in order to make sure of obtaining at least a proportion.

For all these reasons merchants and middlemen in all quarters of the world over-ordered enormously. That is, they entered in advance into commitments on a scale greatly in excess of the current rate of consumption and at a price level above that which the currency systems of the world could support, hugely inflated though they were, when once the actual goods were coming into existence and needing finance.

THEN THE BUBBLE BURST.

This necessarily resulted in an excess of stocks, and, when the value of the stocks exceeded the amount of wealth which the world was voluntarily prepared to set aside in this form, the bubble burst.

For the amount of capital or savings, measured in terms of real goods, available for holding stocks off the market is limited; and when this limit is reached forced liquidations break prices. The effect on manufacturers is immediate.

ate, since merchants try to rectify the position quite suddenly by an almost total cessation of new orders.

When once the depression is well started, the same factors reversed, which previously overstimulated merchants, now hold them back too long.

The fear that prices may fall further deters them from ordering, goods the community will need and the financial embarrassments of the merchant class due to their losses hinder this essential link in the chain of production and distribution from functioning as it should.

Production falls below the rate of current consumption until the wasteful process of factories which could, but for the failure of organization, produce goods the world will want has provided the redress of shortage. In this way the fluctuations in the rate of production are far out of proportion to any fluctuations there may have been in the rate of current consumption.

ECONOMIC MACHINE GREAT.

These causes, springing from the psychology and miscalculations of traders and from the faulty working of the economic machine, have been more powerful in disturbing the course of recent trade than the material wastes of war or niggardly reasons.

The miscalculations of merchants which lead to the alternation of boom and depression are a very expensive form of error. But the consequences can be moderated by a wise policy on the part of the banking authorities of the world.

When merchants are elated by a rise of prices and over-order, it is desirable to damp down their ill-judged enthusiasm. This is best effected by a drastic increase in the bank rate. As soon as a boom appears to be in progress rates for money should be raised at once.

But when merchants are depressed by falling prices and are bringing trade to a standstill by their failure to place new orders, then they should receive all the encouragement which cheap money can give them. In the first phase borrowers are over-valuing goods as against money; in the second phase they are under-valuing them; and both errors should be corrected by the bank rate so far as may be.

In the past two years the banking authorities of England and the United States have been influenced by correct principles, but they have acted too slowly and too late.

They were too slow in putting money rates up, and now they have been too slow in putting them down again. A great deal of wreckage might have been avoided if the Federal Reserve Board and the Bank of England had raised their rates six months earlier and more sharply.

WAITING FOR BOOM TO END.

The authorities in England and the United States waited until nearly the top of the boom before raising their rates to 7 per cent, and they are apparently waiting until the bottom of the boom is passed before lowering them to 5 per cent. But if, as they should, they have the ambition to guide instead of following the current of events, they would do well to go at least as low as 5 per cent at once, with the firm intention, however, of raising their rates again when industry is on its legs.

To get rid of stocks of valuable and useful objects, simply for the sake of getting rid of them, does no one any good. As stocks of commodities are a great part of the world's wealth, and an abundance of them the basis of prosperity, it is ridiculous to get into the state of mind of thinking them an evil in themselves, to be dissipated like a disease. The evil exists when rising prices raise false expectations, so that producers are operating on the basis of a larger real reward for their goods than they will in fact obtain.

I look forward, therefore, maintaining a qualified optimism, not to increased abundance or a rising standard of life, but nevertheless to trade recovery, tolerable employment and a new equilibrium.

A renewal of prosperity in Asia and the Southern Hemisphere will work wonders, even among the follies and distractions of Europe.

The next article in this engrossing series will appear in next Sunday's Washington Times.

WAX MOULDS OF SPIRITS AMAZE PARIS

By Universal Service.

PARIS, Sept. 10.—Proof that spirits have bodies possessing exactly the same form as our own has been furnished by Dr. Geley, a famous and competent investigator, in an article published in the Revue Metaphysique.

This announcement has caused great excitement in the bonafide spiritualist circles of France and England.

The Revue publishes a series of photographs of the hands and feet of spirits "materialized" in moulds of paraffin wax. The experiments were conducted under conditions which made fraud and trickery impossible.

The casts of the hands and feet bear no resemblance to those of the medium who aided Dr. Geley. They show clearly the lines of the palm and folds of the skin. Although the same medium was used in every case, the casts show an amazing difference in the size and form of the hands and feet and in the lines on the fingers and palms.

Dr. Geley created a sensation a short time ago by the publication of an article on the results of experiments, during which he obtained facial photographs of spirits. In those seances also every precaution was taken to make taking impossible.

It is hoped that in the near future some spirit will be kind enough to permit his whole body to be photographed. Then it will be clear that spirits are not the ethereal, ghostly vapors which popular belief has held for centuries, says Dr. Geley.

INCOME TAXES SHOW FRANCE POOREST LAND

PARIS, Sept. 10.—France is the poorest country on earth, according to income tax returns published recently, which among other astonishing things state:

1. There are only 133 millionaires in all France.
2. Four-fifths of the population boasts incomes lower than \$2,000 a year.
3. The total French income amounts only to 11,859,000,000 francs.

Government officials charged with the investigation are plainly nonplussed at the revelations that, instead of the reported 800 millionaires in Paris there are really only sixty, according to the statements on income tax blanks.

Four hundred and seven thousand persons said they made from \$500 to \$2,000 yearly; 73,000 admitted receiving from \$2,000 to \$5,000; 27,043 put it down that they earned \$6,000 to \$12,000; 10,266, apparently, only draw incomes ranging from \$50,000 to 100,000 total—still according to the forms—only 1,800.

The French Government is now considering means to teach millionaires and lesser financial lights a little plain veracity.

Radio Phone on Train to Reserve Hotel Room

BERLIN, Sept. 10.—Wireless telephone instruments will be installed on German express trains and receiving instruments will be placed in hotels and embassies here.

It is said that in three weeks it will be possible for travelers to reserve hotel accommodations by the radio phone.